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April 17, 2007



Mr. Jerry D. Olds, P.E. Utah Division of Water Rights PO Box 146300 Salt Lake City, Utah 84114-6300

Dear Mr. Olds:

Thank you for the opportunity to submit comments regarding the development of a groundwater management plan for the Beryl/Enterprise area. Western AgCredit has significant investment in the area through its loans to local farmers. Therefore, we recognize the critical role water plays in the economy and survival of the Beryl/Enterprise area and other rural communities in the State.

Representatives from our company attended the public meeting in Enterprise on March 13. In response to the information presented at that meeting, we are submitting the following comments and concerns for your consideration.

- Assure There is no Material Abuse: Before actions are taken to stop water users from utilizing legally authorized water rights, reasonable procedures should be implemented to assure that there are no serious instances of water users pumping water in excess of the rights they legally hold.
- Assure that Adequate, Up-to-date Data is Used: We have concerns about the adequacy of the data available to support the process of developing a groundwater management plan. We recognize that the March 13 meeting was intended to start the process and not to resolve all issues. However, despite staff references to a multitude of technical documents, we are concerned about the "casual" approach taken in regards to several seemingly important questions and issues.
 - o For example, at the March 13 meeting it was reported that the aquifer "recharge" information is based on a 1982 study. Although we are not experts in the field of hydrology, it would appear that the advances in technology in the past 25 years could benefit this critical element of the "safe yield" equation. In addition, irrigation practices have changed dramatically since 1982 and the Division staff at the March 13 meeting was unable to respond adequately to questions about the actual impacts of these changes on the recharge rate. These issues appear to justify an updated study of the average annual recharge of the aquifer, before attempts are made to establish a "safe yield."

• There also appears to be a lack of information about the overall volume or capacity of the aquifer - at least the staff was not able to answer related questions at the March 13 meeting. It would seem that such information is necessary to determine if urgent, drastic actions are necessary; or if gradual, less devastating measures would be adequate.

As you know, the decisions included in a groundwater management plan can have material and lasting impacts not just on individuals, but also on whole communities. Therefore, we must be confident that those decisions are based on data of the highest quality and accuracy that can be practically obtained.

Use Prudence and Caution in Actions Taken: Even when high quality data is available. it is probable that weather, other environmental factors, and technological advances may prove assumptions and projections to be inaccurate. In other words, after everyone's best efforts, actual results from implementation of the plan will likely show that the actions taken were either 1) in excess of what was actually necessary or 2) not adequate to fully resolve the problem.

If the error in severity of actions taken is "excessive action," the individuals and farming operations impacted by the excessive action may not be able to recover; and therefore, they may not be able to benefit from any future relaxing of restrictions. Conversely, the ramifications of taking an initial action that is not sufficient to fully resolve the problem appear to be less devastating to individuals and the community - further restrictions can be implemented if actual results indicate that they are necessary.

Therefore, we encourage you to initially look to implementation plans at the less severe end of the range of possible actions. Then if results over time show that more severe restrictions are needed, make necessary adjustments. This approach has less chance for unnecessary damage to the area's economy and to individual operations.

As you are aware, many of the residents of the Beryl/Enterprise area expressed concerns about the adequacy of the planned method to evaluate the economic impact of the groundwater management plan. Dr. Vickner indicated that a lack of available local data would be a problem in the study of an area smaller than the two counties. If there is non-confidential data that we can provide, that would not compromise the privacy of our customers, we would be willing to assist Dr. Vickner or others in this way.

We again thank you for this opportunity to provide comments. If there is anything Western AgCredit can do to assist the process of developing a quality groundwater management plan, please contact Richard Weathered or LaMar Barrington at 801-571-9200.

Sincerely.

Richard Weathered

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President & CEO

Richard R. Olson

Chairman